

**MINUTES OF A
REGULAR MEETING OF THE
CITY COUNCIL
OF THE
CITY OF CORONADO/
THE CITY OF CORONADO ACTING AS THE SUCCESSOR
AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY
OF THE CITY OF CORONADO
Coronado City Hall
1825 Strand Way
Coronado, CA 92118
Tuesday, February 18, 2014**

Mayor Tanaka called the closed session meeting to order at 3:04 p.m.

CALL TO ORDER / ROLL CALL

Present: Councilmembers Ovrom, Tanaka, Woiwode
Absent: Councilmembers Bailey, Denny
Also Present: City Manager Blair King
City Attorney Johanna Canlas

(Councilmember Bailey arrived at 3:15 p.m.)

ANNOUNCEMENT OF CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Two (2) potential cases
Government Code section 54956.9(d)(2)

2. CONFERENCE WITH LABOR NEGOTIATORS
Pursuant to Government Code section 54957.6
CITY NEGOTIATORS: City Manager Blair King; City Attorney Johanna Canlas;
Assistant City Manager Tom Ritter; Director of
Administrative Services Leslie Suelter; Human Resources
Manager Amy Reeve
EMPLOYEE ORGANIZATIONS: Coronado Police Officers' Association; AFSCME
Local 127; Coronado Firefighters' Association; and Self-
Represented Employees

ADJOURN TO CLOSED SESSION: 3:05 pm.

RECONVENE AND ANNOUNCE ACTION: 3:42 p.m. Mayor Tanaka announced that there was no reportable action.

Mayor Tanaka called the regular meeting to order at 4 p.m.

1. ROLL CALL:

Present: Council Members/Agency Members Bailey, Ovrom, Woiwode and Mayor Tanaka

Absent: Councilmember Denny

Also Present: City Manager/Agency Executive Director Blair King
City Attorney/Agency Council Johanna Canlas
City Clerk/Agency Secretary Mary Clifford

2. INVOCATION AND PLEDGE OF ALLEGIANCE. Floyd Ross provided the invocation and Mayor Tanaka led the Pledge of Allegiance.

3. MINUTES: Approval of the amended minutes of the Regular Meeting of the City Council/the City Council Acting as the Successor Agency of January 21, 2014.

MSUC (Woiwode/Bailey) moved to approve the minutes of the Regular Meeting of the City Council/the City Council Acting as the Successor Agency of February 4, 2014, with de minimis corrections. The minutes were so approved. The reading of the minutes in their entirety was unanimously waived.

AYES: Bailey, Ovrom, Woiwode, Tanaka

NAYS: None

ABSTAINING: None

ABSENT: Denny

4. CEREMONIAL PRESENTATIONS: None.

5. CONSENT CALENDAR: The City Council approved, adopted and/or accepted as one item of business Consent Agenda Items 5a through 5j and the addition of Item 11b.

Councilmember Ovrom suggested the addition of Item 11b.

Mayor Tanaka suggested the removal of Item 5k.

Councilmember Ovrom commented on Item 5d, the Arts Commission report. He referred to the work plan and noticed the Commission Goals, #4, Facilitate Musicians Playing on Sidewalks and Unusual Venues. The unusual venues do not bother him but the sidewalks are problematic. He

thinks they need to be very careful about that one and whether that really needs to be included in the work plan as it is stated. Under the public art with Jeff Tyler, one of them is having some liaison with public art in the roundabout and he thinks that the City Manager has already reported that is OBE (overcome by events) so they might want to modify their plan in those areas.

MSUC (Ovrom/Woiwode) moved that the City Council approve the Consent Calendar Items 5a through 5j and the addition of Item 11b.

AYES: Bailey, Ovrom, Woiwode, Tanaka
NAYS: None
ABSTAINING: None
ABSENT: Denny

5a. Approval of Reading by Title and Waiver of Reading in Full of Ordinances on this Agenda. The City Council waived the reading of the full text and approved the reading of the title only.

5b. Review and Approve that the Warrants, as Certified by the City Treasurer, are all Correct and Just, and Conform to the Approved Budgets for FY 2013-2014. The City Council approved payment of City warrant Nos. 10099615 thru 10099843. The City Council approved that the warrants are correct and just and conform to the approved budgets for the Fiscal Year 2013-2014.

5c. Acceptance of the Safe Routes to School Project and Direction to the City Clerk to File a Notice of Completion. The City Council accepted the Safe Routes to School project and directed the City Clerk to file a Notice of Completion.

5d. Accept the Cultural Arts Commission's Annual Report and Work Plan. The City Council accepted the Cultural Arts Commission's Annual Report for 2013 and Work Plan for 2014.

5e. Filing of the Treasurer's Reports on Investments for the City and the Successor Agency to the Community Development Agency for the City of Coronado for the Quarter Ending December 31, 2013. The City Council examined the quarterly Reports on Investments and ordered them filed.

5f. Authorization for the City Manager to Enter into a Purchase Agreement for an Amount Not to Exceed \$150,000 for Five Philips Cardiac Monitors for Placement on Fire Department Emergency Vehicles. The City Council authorized the City Manager to execute the purchase agreement for an amount not to exceed \$150,000.

5g. Authorization for the City Manager to Execute Purchase Agreements for an Amount Not to Exceed \$304,000 through Cooperative Purchasing Programs for the Following Vehicles and Equipment: Three Ford F250 Trucks, One Ford F350 Truck and One Ford F450 Truck with Crane. The City Council authorized the City Manager to execute the purchase agreements.

5h. Authorization to Advertise the Americans with Disabilities Act Compliant Pedestrian Ramp Improvement Project for Bid. The City Council authorized staff to advertise the ADA Compliant Pedestrian Ramp Improvement (CDBG FY 13/14) project for bid.

5i. Adoption of "A Resolution of the City Council of the City of Coronado, California, Approving the City's Participation with the San Diego Urban County in a Three-Year (2015-16, 2016-17, 2017-18) Community Development Block Grant (CDBG) Program." The City Council adopted A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONADO, CALIFORNIA, APPROVING THE CITY'S PARTICIPATION WITH THE SAN DIEGO URBAN COUNTY IN A THREE-YEAR (2015-16, 2016-17, 2017-18) COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM. The Resolution was read by title, the reading in its entirety unanimously waived and adopted by City Council as RESOLUTION NO. 8652.

5j. Authorization for the City Manager to Execute a First Amendment to the Agreement with Cathy McKenna Doing Business as Oti's Place Regarding Liability Insurance Reimbursement in order to Continue Operating the Coffee Cart Concession at the Coronado Public Library. The City Council authorized the City Manager to execute the First Amendment.

5k. Authorization to Advertise the Pomona, Seventh, and Adella Intersection Improvement (Roundabout) Project for Bid.

City Manager Blair King began by recusing himself from this item due to the location of private property he owns.

Ed Walton, Director of Engineering and Project Development, made the presentation.

Mayor Tanaka clarified that while the project is going on during the day, access is going to be limited or nonexistent but at night, when the construction is done for the day, residents should have access to their garages and driveways.

Mr. Walton further explained this situation.

Mayor Tanaka asked what the worst case is when people wouldn't have access to their driveways.

Mr. Walton responded that it typically takes a week to demolish an existing driveway, form a new one, pour it and let the concrete cure. The contractor will have to notify the residents as to exactly what days and the City would have to approve that schedule.

Councilmember Ovrom remembers when we did the downtown and all of the access we had to maintain for all of the businesses on Orange Avenue. The businesses knew exactly when and where the concrete was going to be torn up and what the alternative was for the entrance into their buildings. It seems to him that we need to do the same thing on this particular one. We need to make sure that there is a real tight schedule of when we are going to demolish, when we are going to pour, and how we are going to cover over that with steel plate and things like this so that people there have the minimum of time that they don't have access to their driveways.

Mr. Walton agrees and as part of the specifications the contractor will have to put out notices as to when that will happen. Staff will oversee that, too, and will minimize that as much as possible.

Mayor Tanaka invited public comment.

Jennifer Luther thanked the Council for removing this from Consent. She thanked staff for responding to her emails and addressing most of her questions and concerns. When she received the letter from the City and read the wording, she found inconsistencies in the discussions about length of time of construction and access. Her requests to Mr. Walton were already in the works. The contract needs to state specifically that residents have access before 7 a.m. and after 7 p.m. Of course, it has to be reasonable. The residents know it is going to be inconvenient but just want to know when and have as much access as possible. She wants to make sure it is in the contract so the contractor follows through with the City's intentions. It was in 2008 that 80 people at a community meeting almost unanimously agreed that the roundabout was a really great idea to solve the issues here. It is not just cars. The community of Coronado needs to realize that there are children that go up that hill to school. She added that the lantana purple stuff that is going around in the smallest part surrounding this, is a grungy, ugly plant and she hopes the Council will reconsider its use.

Bill Bry commented that the question of roundabout funding has been on the table for some time. The taxpayers of Coronado share their concerns when they hear this pendulum swing from one side to the next on whether it is funded or not funded. They have asked the question and sometimes get stonewalled or experience differences of opinion. He shared with the Council an email received from former Councilmember Carrie Downey. It is reflective of that swing back and forth. It is dated June 2010. "The good news is that Casey and I moved the roundabout from an unfunded CIP project and when it was approved by the Council to a funded project in 2017. I know that is a long way away but it is a placeholder. When the reserves have been repaid by the CDA, we can review moving it up again. Contrary to many people's hopes, the remaining toll money can't be used for the roundabout and so we need to work on finding the money within the budget. We will be reviewing our cost recovery on many City services this summer and may be able to improve the budget outlook in the near future. I would love to see the roundabout moved up to 2014 if we could. At the very least, it will give us the time necessary to complete any mitigation for the two homeowners affected by the roundabout placement. Thanks for the inquiry. Please do pass the information along to all the great folks on Pomona that have worked on this project."

Mrs. Bry knows that everyone has worked hard for the roundabout. She is very happy and appreciates all of the work that City staff has done to make that a reality. She wants the best for the City. She wants this to be comfortable for the residents and she would like a minimal impact on the environment. There is disagreement on how this roundabout should be paid for. Whether or not it should use toll funds is, for some people, still up for debate. Receiving a threat from a former Council woman, SANDAG Executive Committee member and attorney, Carrie Downey, is certainly inappropriate. She would like to bring that to the Council's attention. She does not think that is the way the City wants to do business and she doesn't think this is good for the City. A recording of the voicemail was played. The message was as follows, "Hi, this message is for Mr. and Mrs. Bry. This is former Councilwoman Carrie Downey having been informed once again you are, once again, misstating, actually lying about what I have said concerning the use of toll funds for the Pomona roundabout. I'm not sure what the problem is, Mr. & Mrs. Bry, you

originally liked the whole idea of a roundabout. Now, because I think you're upset that one of your neighbors might be getting some open space paid for by the taxpayers, you've changed your tune. But I am going to serve you with a notice to stop and desist. If it doesn't, I will get a court order and I will file a complaint against your bar, Mrs. Bry. So I'm putting you on notice. Contact anybody else you've told that I've given you legal opinions suggesting the toll money can't be used, tell them you are mistaken or I will file charges today. Am I clear? Please let me know you received this message. My office number is 619-522-2040. First call you need to make is to the City Manager Blair King. Thank you." Mrs. Bry is not apologizing for anything because she didn't do anything wrong.

Mona Kelly commented that the remaining toll money is to pay for this project and that money belongs to the corridor. What SANDAG did with that money is illegal. That was a breach of contract with the people in the corridor. That is our money. She wants the Council to know that she is meeting with her attorney Thursday on this issue. She encouraged the Council to not be in such a hurry to spend the money because it is going to be in litigation.

Mayor Tanaka asked the City Attorney to address some of the legal claims that have been made.

City Attorney Johanna Canlas stated that the agreement between SANDAG and the City of Coronado provides that sole discretion is in fact within the City of Coronado on what manner the toll revenues are expended. Mrs. Bry spoke earlier and Ms. Canlas was copied with a communication from SANDAG's General Counsel on this very issue. She read, in part, from it. This is Mr. Kirk from SANDAG: "I understand the proposed roundabout project aims to increase the efficiency of alternative routes to the bridge corridor, thereby reducing demand for travel within the bridge corridor. Per the settlement agreement, Coronado retains sole discretionary authority for the manner in which the toll revenues are expended so long as such expenditure is consistent with Streets and Highways Code Section 30796.7. In my opinion, the proposed expenditure is consistent with the law."

Mayor Tanaka said he shared some of Ms. Luther's concerns and thanked Mr. Walton for answering those questions. He thinks everyone agrees with Ms. Luther that, to the extent possible, you can work those conditions into the contract to assure that our residents are given as much access to their driveways and garages as possible.

Councilmember Ovrom doesn't see a particular heavy impact to some of this and knows that it can be done in sections and steel plated for access. One side of the street is going to be easier than the other. This can all be covered in a contract.

Councilmember Woiwode asked if there would be some merit for having an incentive clause in the contract. His bigger concern is that this might drag out for some time for some reason. Should we do something to try to contain the length of time that this will be?

Mr. Walton thinks that could be at the Council's discretion. An incentive clause could be included. The contract currently has 60 working days. If the Council desired to speed that up and wanted to incentivize the contract, it could offer something if they finished in 45 days. The contract currently has liquidated damages. If they finish late, they would be assessed \$1,000 per day that they are late. They have the punishment aspect already in the contract. If the Council desired, there could be a carrot to offer the contractor to finish early. The problem he sees in doing that is, if they run

into unforeseen conditions and in a situation like this where an old intersection will have things that are not known, these will come into play as to whether that is part of their contract time or not.

Mr. Ovrom thinks that, given the size of this contract, \$1,000 a day is not much of a disincentive. He would agree with Mr. Walton that you never know what you are going to find when you start digging it up and clearly if they find something that was totally unexpected by them and by the City that is certainly adjudication for extending the contract but he suggested talking to the City Manager about increasing that negative when you put in a positive for finishing early. Mr. Ovrom moved the staff recommendation with the inclusion of incentives and increasing the disincentives.

MSUC (Ovrom/Woiwode) moved that the City Council authorize staff to advertise the Pomona, Seventh, and Adella Intersection Improvement (Roundabout) project for bid with the inclusion of incentives and increasing the disincentives.

AYES:	Bailey, Ovrom, Woiwode, Tanaka
NAYS:	None
ABSTAINING:	None
ABSENT:	Denny

6. ORAL COMMUNICATIONS:

a. Mary P. Wright has applied for a position on the Transportation Commission. She introduced herself to the City Council.

b. Terry Leary also applied for a position on the Transportation Commission. The online application only allows for 50 characters and he wanted to come to expand on that.

c. Heidi Wilson has been the Chair of the Cultural Arts Commission for the past two years. She is pleased to introduce to the Council and the community the new Commission Chair, Steve Baker.

d. Steve Baker is thrilled to be the Chair of the Cultural Arts Commission. He reported on a recent economic impact survey that was conducted in Coronado. Thirteen organizations in Coronado participated in providing valuable information regarding the impact the arts have here. In 2013, there were over 1,800 paid and free performances, generating over 381,000 attendees. That means there are a wealth of arts events here, stimulating attendance 15 times Coronado's population. Total spending by arts audiences and these 13 nonprofit organizations totaled \$7.6 million. These very positive numbers demonstrate that Coronado's investment in the arts benefits economic wellbeing. It also indicates that the arts play a significant role in the quality of life in Coronado that we should never take for granted.

e. Toni McGowan applied for a position on the Transportation Commission but explained that she would withdraw her application. She read a statement to the Council about the fact that transportation was always a topic in her family. She is withdrawing her application in support of another candidate who asked not to be named.

f. **Catherine Squitieri** also applied for a seat on the Transportation Commission. She introduced herself to the Council and public.

g. **Jeanie Peterson** announced her application for a seat on the Transportation Commission. She is pleased at the well qualified applicants. She was concerned in the recent past that there wouldn't be applicants. The Transportation Commission is so important. Her understanding was that in the selection of members, the Council wasn't to select residents from all areas of the City. She believes that is important. She supports that. When she saw the applications, she saw the potential to select residents that fulfill that one purpose. She spoke about the different applicants and the areas in the City they are familiar with. She applied because she was so concerned that there would not be applicants.

h. **Kari McPherson** has applied for a position on the Parks and Recreation Commission. She introduced herself to the City Council and community.

i. **Mona Kelly** is not applying for the committee and admires the people who have applied because all of the years she has lived on Third and B, she has not found the Council to listen to all of their complaints. She is really disappointed for these people and she hopes that they don't have to go through the years that people on Third and Fourth Street have had to go through with the traffic. It is a freeway. She would never apply because the Council doesn't listen and she thinks the Council does not care.

At this point in the meeting, Mayor Tanaka took Item 11c Consideration of Appointment to Fill Four Vacancies on the Transportation Commission and Consideration of Waiving Municipal Code Section 2.74.020(C) that One Member Should be a Resident of the Coronado Shores Development out of order. During consideration of this item, Councilmember Denny arrived at 4:51 p.m.

Following Item 11c, the Mayor took Item 11d Consideration of Appointment to Fill One Vacancy on the Parks and Recreation Commission out of order.

Following Item 11d, Mayor Tanaka announced the meeting would return to the regular order, but he re-opened Oral Communications for Councilmember Denny.

j. **Councilmember Denny** reminded everyone that there is a water drought. She encouraged people to conserve water. She stated she attended the meeting late due to jury duty which is why she came in late.

7. **CITY MANAGER/EXECUTIVE DIRECTOR:** No report.

8. **PUBLIC HEARINGS:**

8a. **Public Hearing: Introduction of "An Ordinance Amending the Municipal Code to Address Required Implementation Programs for the City's Certified 2013-2021 Housing Element to Include (1) Emergency Shelters in the Commercial Zone; (2) Transitional and Supportive Housing in all Residential Zones; (3) Large Residential Care Facilities and Single-Room Occupancy Units with a Major Special Use Permit in the R-4 (Multiple Family) Residential Zone; and (4) Definitions for Large Residential Care Facilities,**

Single-Room Occupancy Units, Supportive Housing, and Modifications to Transitional Housing Definition. The Following Chapters will be Amended to Achieve the Changes Summarized Above: 86.04, 86.08, 86.09, 86.10, 86.14, 86.18, and 86.55, of Title 86; and Amending Chapters IV and V of the Orange Avenue Corridor Specific Plan” (PC 2013-06: City of Coronado). Rachel Hurst, Director of Community Development, made the presentation.

Councilmember Bailey referred to page 175, the second paragraph, in the staff’s conclusion of the report. “If the City does not implement these changes by March 2014, there could be implications for the City’s inaction.” He asked Ms. Hurst to address what those implications might be.

Ms. Hurst explained that the implication is in the Housing Element, in the pages provided in the report, you will see that in order to certify our Housing Element, the State requires commitments in terms of time frames of when we will implement those programs. These programs are those that we, the City of Coronado, committed to do within one year. Staff is bringing them back to the Council within the one year. Next month staff will need to bring forward a progress report on how the City is doing with implementing the Housing Element. That is a new requirement of State law. In the past, staff would just fill out the forms and mail them in but now is required to actually come to Council and have a public meeting on it. Staff wants to achieve the goals that were set forth in the Housing Element and the consequence of the City not doing that would be that the City would have to report that it did not achieve what it committed to.

City Manager Blair King added that this is a State policy and local government is a tool to effectuate State policy. The State does have a stick approach and the City Attorney can talk a little more about that.

City Attorney Johanna Canlas commented that part of the reason for this is that when this was amended, SB 375, it tied transit-oriented funding to a certified Housing Element. Absent a Housing Element, they are threatening to withhold any State transit funding. Outside of that, the Legislature made it very clear that their goal is to have local agencies with certified Housing Elements so that they can effectuate what SB 375 is meant to do.

Councilmember Denny thinks this is really important. It seems so dry. It is really important because the Housing Element goes to the heart of issues that are very important to residents like density and overdevelopment and so forth. This is the kind of thing we don’t really want to rush through. We want to really think about this carefully and the ramifications, both the intended and unintended consequences. We know that this particular draft came up through our Planning Commission. Was there also an outside contractor who was involved in helping draft this as in the last time when there was an outside contractor involved in helping staff draft what we see today?

Ms. Hurst thinks that what Ms. Denny is referring to is that the City had a consultant when it prepared the Housing Element. There was not a consultant who prepared the ordinance changes. Community Development staff, primarily Ann McCaull, worked with the City Attorney’s office to draft the changes and they are based on the description in the adopted Element of the ordinance changes that needed to be made.

Ms. Denny clarified that February 2013 was when this was last at the City Council. On page 172, with regard to the Emergency Shelter allowable in the Commercial Zone without an SUP, but not

on Orange Avenue, can Ms. Hurst tell whether anyone from Community Development or the City Attorney reached out to our own first responders here before preparing this for the Council.

Ms. Hurst does not believe that happened.

Ms. Denny continued with page 172. Under Analysis it says, "...the provisions contained within the ordinance amendments are not locally driven but State mandated and generally required by law." If she was a resident reading this, she would wonder whether it is mandated and that would mean we have to do it but generally required by law doesn't really sound like it is a mandate. Is there an internal conflict in that sentence or can we phrase that better?

Ms. Canlas stated that there is no conflict. The Housing Element is mandated by law. The choice of whether or not to implement it is not mandated but it comes with consequences if you do not do so.

Ms. Denny clarified that when the staff report says on page 175, "...generally required by law..." staff is saying that there would be consequences if not adopted. That is what that refers to. She moved to page 173. It lists the type of transitional housing.

Ms. Hurst responded that there are four types of special needs housing: transitional housing, supportive housing, residential care facilities, and single-room occupancy housing.

Ms. Denny asked if transitional housing is its own separate category and then some of the three other categories also fit into transitional housing.

Ms. Hurst explained that transitional housing and supportive housing are treated in the same way.

Ms. Denny asked Ms. Hurst to describe the difference between how the law treats the needs of the disabled and special needs. Residents without a background in ADA might not know the difference.

Ms. Hurst responded that, in her view, special needs is a broad category and could be referring to many different specific types of special needs housing for say developmentally disabled, physically disabled and other kinds of issues. Special needs is a broad category.

Ms. Denny asked what we mean by disabled.

Ms. Hurst explained that it refers to a physical or mental disability.

Ms. Denny talked about one concern she has. When we talked about our affordable housing and it is safe to say that this transitional housing is a subset of affordable housing. Is it ever not?

Ms. Hurst responded that it could be given the high cost of housing in general. In most cases, there is some form of subsidy involved.

Ms. Denny commented that sometimes what happens in Coronado is we take in-lieu fees from developers and allow them to change the use so they don't need to put affordable housing in a

space that was allotted for affordable housing because they pay an in-lieu fee. Would Ms. Hurst describe it that way to a member of the public?

Ms. Hurst explained that the in-lieu fee is simply a fee in lieu of building affordable housing on site.

Ms. Denny added that a builder would be required to pay the in lieu fee only if you were building in areas that were meant for affordable housing.

Ms. Hurst disagreed with that statement because there are no specific geographic areas that are specified for affordable housing.

Ms. Denny continued by saying that when we allot our affordable housing, some of which is transitional housing or may be transitional housing, is it safe to say that even if we today allot some areas for transitional housing we may end up with not transitional housing but something else.

Ms. Hurst mentioned that just like the State requires the City of Coronado and every other city to show that it has a zoning to accommodate a certain number, or fair share, of affordable housing units and just like the City of Coronado, like every other city, is required to show that it can accommodate housing at various density levels and at various income levels, the State also requires that the City's zoning ordinance accommodates special needs housing. That does not mean that we will ever have these types of special needs housing but we just have to show that in our regulations we can accommodate it in some way. That is what the State is requiring.

Ms. Denny asked if it is true to say, generally, that if we don't allot in this Housing Element for affordable or transitional housing, we still have State requirements to provide it or to make sure it is available.

Ms. Hurst responded that the City just has to show that the zoning can accommodate it. We don't have to physically create it or provide it.

Ms. Denny continued by saying that even if we didn't show that our zoning could accommodate it, we are still bound under law to allow it.

Ms. Canlas explained that, as Ms. Hurst pointed out, the City is not required to actually produce the transitional housing. The City is only required to have the zone allow for it. The question as to whether or not we are mandated by State law – this is the mandate of State law. The City is required to show that the zones can accommodate it.

Ms. Denny added that is if we want to be certified.

Ms. Canlas agreed that is an obligation under our certified Housing Element.

Ms. Denny continued by saying that if we didn't want to go the certified route, the ramification would be that we wouldn't have to show that there was zoning available for these types of housing needs.

Ms. Canlas corrected that we are already certified for the next eight years absent some action that decertifies that. That is a consequence in the event that we don't meet what we promised would be accomplished in the certified Housing Element.

Ms. Denny asked what being certified means and why we want to be certified.

Ms. Hurst explained that it means that it was approved by the State and specifically by the State Housing and Community Development Department. They have reviewed and approve of the Housing Element which the City Council adopted and submitted to them.

Mr. King commented that the State requires that the City have an approved General Plan. In the General Plan, there are seven mandated elements. One of the seven mandated elements is the Housing Element. The Housing Element is a little bit different in that it is reviewed by the Department of Housing and Community Development. The State requires that the City have a certified Housing Element. There are no incentives. There are sticks. If the Council were to not want to certify the Housing Element or not want to follow through on that and, if in the case a private developer wanted to build one of these units they probably would fall, even if it were not, back upon the State law and compel the City to approve this. In that particular scenario, the City would not have an approved certified Housing Element, would be denied SANDAG funds, denied grant funds, and would still be required to allow the unit to be built.

Mayor Tanaka opened the public hearing and seeing no one wishing to speak on the item, the public hearing was closed.

MSC (Bailey/Woiwode) moved that the City Council introduce AN ORDINANCE AMENDING THE MUNICIPAL CODE TO ADDRESS REQUIRED IMPLEMENTATION PROGRAMS FOR THE CITY'S CERTIFIED 2013-2021 HOUSING ELEMENT TO INCLUDE (1) EMERGENCY SHELTERS IN THE COMMERCIAL ZONE; (2) TRANSITIONAL AND SUPPORTIVE HOUSING IN ALL RESIDENTIAL ZONES; (3) LARGE RESIDENTIAL CARE FACILITIES AND SINGLE-ROOM OCCUPANCY UNITS WITH A MAJOR SPECIAL USE PERMIT IN THE R-4 (MULTIPLE FAMILY) RESIDENTIAL ZONE; AND (4) DEFINITIONS FOR LARGE RESIDENTIAL CARE FACILITIES, SINGLE-ROOM OCCUPANCY UNITS, SUPPORTIVE HOUSING AND MODIFICATIONS TO TRANSITIONAL HOUSING DEFINITION. THE FOLLOWING CHAPTERS WILL BE AMENDED TO ACHIEVE THE CHANGES SUMMARIZED ABOVE: 86.04, 86.08, 86.09, 86.10, 86.14, 86.18, AND 86.55, OF TITLE 86; AND AMENDING CHAPTERS IV AND V OF THE ORANGE AVENUE CORRIDOR SPECIFIC PLAN. The Ordinance was read by title, the reading in its entirety unanimously waived and placed by the City Council on FIRST READING.

Councilmember Denny stated, for purposes of deliberation, I will be voting no on this particular vote and I would like the minutes to reflect that I'm incorporating, right now, all the comments I made at the February 19, 2013, discussion about the Housing Element. To briefly state some of

them, we are already over built and over densified. We have water issues and we have canyonization issues to worry about. The actual underlying Housing Element that was approved by the Council has so many threshold basic assumptions in it that don't hold true in reality that it is unsupportable and since that Housing Element, as was adopted, is unsupportable so too these additional changes to definitions and so forth which is considered housekeeping. At the same time, she can't support them for the same reasons that she couldn't support the Housing Element. She would like very much to say that she thinks affordable housing and transitional housing and supportive housing and residential care facilities and single-room occupancy are very important parts of a community and she is not making a value judgment or a statement against them. She is saying that our City is built out and that the Housing Element, as adopted, is unsustainable. Therefore, so too this clean up, if you will, of the Housing Element is unsupportable.

AYES:	Bailey, Ovrom, Woiwode, Tanaka
NAYS:	Denny
ABSTAINING:	None
ABSENT:	None

9. **ADMINISTRATIVE HEARINGS:** None.

10. **COMMISSION AND COMMITTEE REPORTS:**

10a. **Report from the Port Commissioner Concerning Port Activities.** Port Commissioner Garry Bonelli thanked the City Manager for agreeing to set up a schedule to meet with the CEO of the Port on a monthly basis, staff to staff. This will open up more communication. He is working with the Coronado Yacht Club. They are in their lease negotiations right now and are working with staff to look at how they can renew their lease and their redevelopment opportunities. He heard from Councilmember Ovrom about a SANDAG meeting about the Port's integrated master plan, the 50-year visionary plan. Mr. Ovrom saw a slide dealing with equity around the Bay. Staff explained to him that was pretty much referring to land uses and what they call the triple bottom line. It is an approach that benefits the people around the Bay, the environment and the businesses. This approach aligns with SANDAG's 2050 RTP and the Sustainable Community Strategy. He has also reached out to some of the environmental groups and has met already with the Environmental Health Coalition and Wild Coast. No good deed goes unpunished. He is now chairing the Port's Accessibility Advisory Committee. He will be attending next week's Coronado Cays HOA meeting. He thinks he has some small wins through the Port already as far as fixing up light fixtures on Grand Caribe Island. There are a lot more important issues that will take a little bit more time. He thanked Mayor Tanaka for agreeing to be a panelist tomorrow during the Port's annual retreat in Imperial Beach.

Councilmember Woiwode asked if there is a Coronado representative on that Accessibility panel. Admiral Bonelli explained that all of the members live within the City of San Diego. Mr. Woiwode suggested that Admiral Bonelli check to see if Steve Wampler is on that. He has reported such in the past.

11. **CITY COUNCIL BUSINESS:**

11a. **Council Reports on Inter-Agency Committee and Board Assignments.** Mayor Tanaka asked the Council members to submit their reports in writing.

11b. Consideration of Appointment to Fill One Vacancy on the Street Tree Committee for a full three-year term ending October 31, 2017. Under Consent, the City Council appointed Michele L. Stiny to the Street Tree Committee for a full three-year term ending October 31, 2017.

11c. Consideration of Appointment to Fill Four Vacancies on the Transportation Commission and Consideration of Waiving Municipal Code Section 2.74.020(C) that One Member Should be a Resident of the Coronado Shores Development. (Pg 195) Mayor Tanaka explained the process to be used to fill the vacancies.

MSUC (Woiwode/Bailey) moved that the City Council waive the requirement that a member be from the Shores.

**AYES: Bailey, Ovrom, Woiwode, Tanaka
NAYS: None
ABSTAINING: None
ABSENT: Denny**

MSUC (Tanaka/Ovrom) moved that the City Council appoint Cauleen Glass as the representative from the Cays to the Transportation Commission for a three-year term ending February 28, 2017.

**AYES: Bailey, Ovrom, Woiwode, Tanaka
NAYS: None
ABSTAINING: None
ABSENT: Denny**

Mayor Tanaka summarized that there are three positions left to fill and six candidates for those three positions. He read the names of the applicants:

- Patricia Ann Yim Cowett
- Terrance Leary
- Theodore Lewis
- Jeanie (Smith) Peterson
- Catherine Squitieri
- Mary P. Wright

The City Clerk recorded the votes for the first round of voting as follows:

- Patricia Ann Yim Cowett three votes
- Terrance Leary four votes
- Theodore Lewis one vote
- Jeanie (Smith) Peterson four votes
- Catherine Squitieri four votes
- Mary P. Wright four votes

Councilmember Denny arrived at 4:51 p.m., just prior to the second round of voting.

The City Clerk recorded the votes for the second round of voting as follows:

Patricia Ann Yim Cowett	four votes
Terrance Leary	three votes
Jeanie (Smith) Peterson	five votes
Catherine Squitieri	five votes
Mary P. Wright	five votes

MSUC (Tanaka/Bailey) moved that the City Council appoint Jeanie (Smith) Peterson, Catherine Squitieri, and Mary P. Wright to three-year terms on the Transportation Commission to expire February 28, 2017.

AYES:	Bailey, Denny, Ovrom, Woiwode, Tanaka
NAYS:	None
ABSTAINING:	None
ABSENT:	None

11d. Consideration of Appointment to Fill One Vacancy on the Parks and Recreation Commission. Mayor Tanaka explained the process to be used to fill the vacancy on the Parks and Recreation Commission.

The City Clerk read the names and recorded the votes for the first round of voting as follows:

Kenneth Moore Fitzgerald	two votes
Stacy Keszei	two votes
Kari A. McPherson	five votes

MSUC (Tanaka/Bailey) moved that the City Council appoint Kari A. McPherson to the Parks and Recreation Commission for a term to expire January 31, 2016.

AYES:	Bailey, Denny, Ovrom, Woiwode, Tanaka
NAYS:	None
ABSTAINING:	None
ABSENT:	None

11e. Introduction of “An Ordinance of the City Council of the City of Coronado, California, Amending Section 48.04.120 of Chapter 48.04 of Title 48 of the Coronado Municipal Code Regarding Waste, Refuse and Fires on Public Beaches.” City Manager Blair King provided a few comments related to this item.

Councilmember Denny referred to page 247. The report talks about CEQA and the statements made that this is exempt from CEQA. The reasons given are interesting because the reasons given in the staff report are that the adoption of this ordinance involving beach fires is categorically exempt under CEQA guidelines, section 15308, regarding actions taken by a regulatory agency for the protection of the environment. That would be the City and it just seems like what we are talking about does sincerely involve the protection of the environment any time we are talking

about fires on the beach. She asked for an explanation of that. It says section 15061(b)(3) in that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. That seems counterintuitive, too, because it would seem any action we would take on the beach would have an effect. Reading further down, as for the reasons why the City thinks this action here would be exempt from CEQA, that the reason given in the staff report is this ordinance implements regulations that assure the maintenance, restoration, enhancement and protection of public beaches and will result in no direct physical changes in the environment other than the prohibition of debris and certain pollutants from being used in beach fires. In the first sentence we are saying that it doesn't involve protection of the environment but if you read down a little further, it says that it involves protection of the public beaches which is the environment. Those three parts seem inaccurate. She asked that the City Attorney explain how this action here taken today has no effect on the environment and is exempt from CEQA.

City Attorney Johanna Canlas explained that we should begin with what the existing conditions are. Right now, any of the materials that are not prohibited can be allowed. What the Council is doing by introducing this ordinance is to actually limit what can be burned. Therefore, that is not adding on to the impact to the environment because the City is limiting what can be used as part of the fire rings. The other question as to why it seems counterintuitive is because it is an either/or. The City is a regulatory agency and can, in fact, dictate what can be used in the environment. In this particular case, the City is addressing what was perceived to be bad and is only limiting what can be burned. That is in the protection of the environment. By changing the materials that can be burned, then it is no likelihood that there is going to be direct consequences to the environment because now you are addressing the clean wood issue and the materials that can be burned.

Ms. Denny doesn't think that is accurate. If we use Ms. Canlas' term that the new ordinance would involve not adding on an impact to the environment, how is that not protection of the environment then which requires CEQA review?

Ms. Canlas asked that Ms. Denny repeat her question.

Ms. Denny stated that there are three reasons given for the exemption from CEQA. The first one is that this action doesn't involve the protection of the environment but what Ms. Canlas just described is, in fact, the protection of the environment because we are limiting the fuel that can be used in the fires.

Ms. Canlas explained that the CEQA statement says it is categorically exempt. It doesn't say that it is for the protection...she is not clear on what the question is. Ms. Denny moved to another question.

Ms. Denny asked whether staff is saying pallets in or pallets out.

Ms. Canlas responded that there was no consensus.

Mr. King commented that the Council's action related to no material above a foot above the ring and not extending beyond the ring would mean it would be difficult to burn a pallet as is. He believes the Council is taking on the issue of the pallets in a somewhat indirect fashion because the Council is also sensitive to the secondary effects of breaking up a pallet on the beach or on the street. If one were to take a literal enforcement of this, it would be very difficult to burn a pallet

that did not extend beyond the inner lip of the ring or extended further than 12” above the top of the fire ring.

Ms. Denny wants the public to understand what we are doing here. We are saying that because this Council couldn't agree on a prohibition of pallets, staff has made a compromise and has worded this particular ordinance such that it would perhaps include pallets.

Mayor Tanaka feels that the City Manager already answered that question. The Council directed him to deal with the pallet issue and come back with options. The Manager just explained that the way he has dealt with pallets was to limit the height above the fire ring to 12” and to make sure that the fire is contained inside the fire ring. To comply with the Council's direction, pallets won't fit in the ring.

Ms. Denny has had quite a few questions from the public on this and so she is simply trying to get onto the record, to explain to residents who are either looking now or might read the minutes later or might view the video exactly what we are doing today. It is not always clear on the first pass to residents. That is why she is asking to make sure that we are not directly limiting pallets here but we think we are limiting them by giving other restrictions such as height.

Mr. King added that you cannot burn nails either.

Ms. Denny asked if someone wanted to burn a portion of a pallet that had nails in it, wouldn't that fit in the fire ring?

Ms. Canlas explained that the material, the nail, is precluded from being burned in the fire ring. It doesn't constitute the materials that are allowed under the air pollution control.

Mayor Tanaka invited public comment.

Trisha Trowbridge said she went down the stairs next to the boardwalk and picked up a mason jar full of charcoaled graffiti. This was a three-day weekend. She does not know how long the charcoal debris has been there. She also sent each Council member and the Chiefs of Police and Fire pictures of this as there was more graffiti on the steps. She considers that a detriment to our environment. Even though the Council has passed this, she urges it to very carefully watch for fires, especially along what is our narrow strip of beach along the Shores boardwalk because people there, if they are building fires, they are sharing the same beach area with anyone going into the water, kids digging and so on and when you compare that to North Beach, where you have the eight fire rings in a separate area, you are not going to have children digging into this charcoal even though there might still be some there. There is a separate dog beach and a separate area for people who want to be at the shoreline or sunbathing or children digging. She hopes that the City will really check it out, especially this summer. People have to share the same space with the fires. Remember, North Beach is very wide and accommodates everything, including the fire rings and she is so glad that the Council is adding to that what can and cannot be in the fire rings to burn. Our narrowest part is obviously along the Shores and it is not because she lives there and it is very sad to see the charcoal in the sand.

Ben Seigfried is still a little bit confused. He asked if the City is banning pallets. He was told that it is. He found that really confusing. He came to the meeting with the impression that the Council was going to allow pallets.

Mayor Tanaka asked if Mr. Seigfried understands that this limits fuel to clean wood and how the fire ring can be used. The fire has to be inside the ring. It can't overhang it. The highest the fire can go or be stacked is 12" above the ring. The City did not put in writing no pallets but rather that the fire has to be self-contained in the ring and that it has to be clean wood. The way that it is written, it precludes a pallet from being used.

Mr. Seigfried understood that but he doesn't go out and measure pallets.

Mayor Tanaka referred to page 248 of the staff report and asked Mr. Seigfried another question. The staff report says that other tasks related to beach fires were a report and a recommendation on enforcement options in the vicinity of the fire rings and a recommendation with regard to hot coal receptacles. These reports will be presented to the Council in March. The City has not said that you can't have a pallet. It has said what can be used in the fire ring and in March the Council will deal with how that is going to be enforced. Does that answer his questions about the pallets?

Mr. Seigfried responded that it does. He asked if pallets fit inside these fire rings. He was told that they do not.

Councilmember Denny asked if, in addition to focusing on the fire rings, does this portion that we are working on today also have to do with having fires as was brought up by one of the residents all up and down the beach, all over the beach, in receptacles, too. We are talking about the fire rings and the fuel we will allow but aren't we also considering the fact that fires can be allowed all over the beach outside the fire rings.

Ms. Canlas explained that, prior to this ordinance, it is already allowed in portable barbecues. What this limits is that even though it is still allowed in portable barbecues or other receptacles plus the fire rings, we are limiting the materials that may be burned and how they can be disposed.

Ms. Denny clarified that we are limiting the materials that can be burned in the portable grills or other receptacles all over the beach that we are limiting certain fuel.

Ms. Canlas meant to say portable barbecues and similar devices. That is the technical term in the ordinance.

Councilmember Woiwode pointed out that Item D includes nails which Mr. King mentioned as well.

MSC (Woiwode/Ovrom) moved that the City Council introduce AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORONADO, CALIFORNIA, AMENDING SECTION 48.04.120 OF CHAPTER 48.04 OF TITLE 48 OF THE CORONADO MUNICIPAL CODE REGARDING WASTE, REFUSE AND FIRES ON PUBLIC BEACHES. The Ordinance was read by title, the reading in its entirety

**unanimously waived and placed by the City Council on FIRST
READING.**

Ms. Denny had a further question. In terms of other cities, we have had a statement from staff at a prior Council meeting that, in fact, pallets are very much prohibited in California as something that is not wanted to be burned on the beach. Most cities don't allow pallets and aren't afraid to put it in the ordinance. She asked if that is an accurate perception.

Mr. King did mention that some cities have prohibited pallets outright. Other cities have prohibited pallets but also have prohibited the shredding of pallets. The issue with pallets is when is a pallet not a pallet? The reason why people like pallets is it is an easy way to transport wood to where they are burned. The issue is clean wood, it has to fit within the fire ring and yes, most pallets are at least four ft. by four ft. and six inches high. It is going to be very difficult to get a pallet into the fire rings. They are much smaller than that. Also, there cannot be nails. The importance of this ordinance is if this ordinance is not adopted, people can continue to burn material that is not as clean as this ordinance would require and there are no restrictions on the height or the dimensions of the fire within the fire rings.

Ms. Denny feels that, on balance, the ordinance just fails because by not coming forward and saying that we don't want to...by not out and out clearly prohibiting pallets, by taking this end run, by trying to do it with height and kind of legislate it by height indirectly, as staff has said, the practicalities and the cost of enforcement is too much for taxpayers. She thinks that is a poor choice. In addition, she thinks that CEQA does apply. It is clear that it does in plain language. She is concerned about exempting us from that because we would get other protections. Other things happen to protect our beach when we embrace CEQA as opposed to waiving it. She is also concerned because this ordinance still allows fires everywhere on the beach, even outside the fire rings, and in fact, in the very narrow and sensitive environment of the Shores beach that is really something that we don't want to allow and that should get extra protection and that does not have extra protection with this ordinance. For those reasons, she cannot support this.

AYES:	Bailey, Ovrom, Woiwode, Tanaka
NAYS:	Denny
ABSTAINING:	None
ABSENT:	None

11f. Introduction of “An Ordinance of the City Council of the City of Coronado, California, Amending Section 1.12.010 of Chapter 1.12 of Title 1 of the Municipal Code Regarding the Scope of Appeals to the City Council. City Manager Blair King provided some background information on this item.

Mayor Tanaka clarified that it was not the policy of the City in the past, prior to 2011, to allow an appeal from the Civil Service Commission to the City Council.

Mr. King agreed that it was not.

Mayor Tanaka clarified that this might have been an unintended consequence of the Council in 2011 to extend the appeal to Civil Service where it hadn't been extended before.

Mr. King added that issues to the Civil Service exhausted people's administrative remedies. With the exhausting of the administrative remedies, then people could pursue their claim in court. This would extend the administrative remedies to the City Council. It is probably a practice that is inconsistent with other areas in the Municipal Code which delegates all personnel decisions to the City Manager. It is also inconsistent with what other cities do.

Councilmember Denny asked if any employees were consulted in the preparation of this report.

Mr. King responded that they were not because employees would need to be consulted to change the working conditions to apply this ordinance. The employees were not consulted to change the working conditions from the current past practice, which is that items from the Civil Service Commission completed the administrative remedies and were not appealed to the City Council.

Ms. Denny thanked Mayor Tanaka for bringing up the fact that most cities don't allow this, the appeal from the Civil Service Commission to a city council body and she could see why they would not because not only would it extend the requirement for exhaustion of appeal but also it would subject the employee or worker to whims and the particular capacity of elected officials to decide on these issues. In fact, what we seem to do here is a de novo review or a complete review from the beginning, throwing out everything that has been done before. Would it be accurate to say that we have de novo reviews here?

City Attorney Johanna Canlas explained that for the HRC and Planning Commission, the City does not limit what is presented before the Council. It is not limited to what was heard previously to the subordinate commissions.

MSUC (Ovrom/Woiwode) moved that the City Council introduce AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORONADO, CALIFORNIA, AMENDING SECTION 1.12.010 OF CHAPTER 1.12 OF TITLE 1 OF THE MUNICIPAL CODE REGARDING THE SCOPE OF APPEALS TO THE CITY COUNCIL. The Ordinance was read by title, the reading in its entirety unanimously waived and placed by the City Council on FIRST READING.

AYES:	Bailey, Denny, Ovrom, Woiwode, Tanaka
NAYS:	None
ABSTAINING:	None
ABSENT:	None

11g. Update on 2014 Citizen Satisfaction Survey and Draft Policy Questions.
Assistant City Manager Tom Ritter provided the staff report on this item.

Councilmember Denny asked if this is the firm the City used last year. Mr. Ritter responded that it was used in 2011. Ms. Denny asked if that was the first time Coronado used that firm. Mr. Ritter responded that it was. Ms. Denny asked if the City has done citizen surveys in the past, before 2011. Mr. Ritter explained that the City previously did one that was a telephone survey and cost approximately \$37,000.

Ms. Denny recalls from last time that the surveys that went out were, coincidentally, to people who already had positive experiences with the City. It was interesting that the recipients of the survey had already had positive experiences with the City. They would rank their experiences as positive. She was wondering how these people are chosen.

Mr. Ritter responded that it is a random sample. The people that develop the list take the zip code and addresses of the residents and randomly select them. It wouldn't be a coincidence if they had a positive experience. It is a scientific survey so it has a plus or minus 5% accuracy.

Ms. Denny asked for more information about random selection.

Mr. Ritter added that typically it is a computerized program that picks the residents and then they have a way of describing which person in the residence completes the survey.

Ms. Denny asked if this is the company that then gave us an award for good customer service or citizen satisfaction. Mr. Ritter explained that they did not give the City an award. The City's results were very positive.

Councilmember Ovrom received a telephone call from a citizen who asked an interesting question. He asked if this is just the City patting itself on the back again. Mr. Ovrom thought about it for a while. He thinks that wasn't really the intent. He was hoping to receive some feedback that is different than the City would normally receive. In general, standard questions can provide that but he thinks the two proposed questions clearly can get the City some more information it would not get. He would suggest that the City consider adding one open ended sort of question because that might get some different answers out of some people. He suggested, "Other than the above questions, what are your top three issues you wish the City to address?" That is open ended and might be very surprising.

Mayor Tanaka asked how many questions the City is allowed to come up with without changing the price of this.

Mr. Ritter responded that it is approximately three closed ended questions and the City can purchase one open ended question. There can only be one open ended question.

Councilmember Bailey asked, at the last Council session, that this be continued for today because he wanted more time to read through the survey findings from the last survey that was done and to read the staff report. He found himself asking something along the lines of what Mr. Ovrom brought up. What is the purpose, the objective of the survey? The objective of the survey should be to provide the Council, as policy makers, with actionable information. With that in mind, when he was going through some of the questions he is not sure those questions lived up to what he would imagine to be that objective. He highlighted a couple of them. One of the questions asked the respondents to rate Coronado as a place to live; 100% of the respondents rated Coronado as either an excellent or good place to live. Another question was whether or not the respondent would recommend living in Coronado; 96% of the respondents said they would be very likely or likely to recommend Coronado as a place to live. To him, these are kind of feel good questions. They do kind of fall in line with patting ourselves on the back. There is nothing wrong with that but he is not sure how much value they add to the survey. He highlighted two questions that are a step in the right direction but could use a little more detail. One rates the quality of traffic signal

timing. 57% of the respondents last time rated our quality of traffic signal timing as either fair or poor. When it came to rating the quality of code enforcement, two-thirds of respondents rated code enforcement as excellent or good. He thinks these questions are examples of good questions to ask that can provide the City with actionable information but they don't go far enough. What he would like to see is staff look at other options for conducting the survey that would allow for the City to do a deep dive on some of these questions. For example, instead of asking the traffic signal question in broad terms, we could have a follow up that says to rate satisfaction with the following traffic signals. This would allow the City to focus its efforts on the problematic traffic signals. He is going to guess that Tenth and Orange would be one of those signals but perhaps there are others. When it comes to code enforcement he thinks it would make a lot of sense to actually have residents prioritize which code violations they care most about enforcing. Perhaps we would be surprised to see that either they care about enforcing all of them to the same degree or perhaps they care about only enforcing some of them. That is what he got out of reading the staff report.

Mayor Tanaka is sure we could spend more time wordsmithing the questions or coming up with better ones. Off-hand he is not against that but what he is interested in supporting is that data is good in a couple of ways. If you did a survey once and only once, at least that gives a snapshot in time of how you are doing, what citizens are happy with and what the areas for improvement are. Another way of looking at this is if you test the same things over time, you can now grab something. If people were happy the last time you took the survey but they are not happy or are not as happy, then that gives you something to look at. That is what he wants to get out of this. If this survey is similar to the one given in 2011 and we give it again in 2014, he can look at the compare and contrast value. If it is given again three or four years from now, and if we give this with some regularity, we can start to see whether the snapshot in time was accurate or if there was an anomaly. Was 96% unique to that year? Even though 96 or 97% might not really give much feedback in that moment, if the next time it dropped to 80 that would be an eye opener. He also commented that he does meet people who are very unhappy with things from time to time. This survey gives people a chance to let the City know if they are the 1 out of 1000 unhappy. He would guess that maybe the most valuable part of the survey for the City will be those three questions. He likes the two questions that staff came up with. He had suggested a year or two ago that the Council vote on whether or not we are happy with either the floor area ratio or come up with something to give the residents a chance to give the City feedback on how strong the anti-building/anti-development sentiment. He is very happy that these two questions give us a chance to get some of that data and he likes Mr. Ovrom's question and thinks it would be worth the value to add that open ended one just to see if the three issues people want addressed are what we would think they are. His proposal would be to move forward with the staff recommendation. If staff wants to wordsmith this more, he is not against it but he gets the sense that they want to move forward on the survey.

Mr. Bailey completely agrees with almost everything Mayor Tanaka said, especially the last part when he said that the last three questions would be the most valuable to the City. The reason they will be the most valuable is because they dig deeper. The format that the survey is conducted on doesn't give the City enough flexibility to allow the City to dig deep on enough questions. If we see the survey response come back and instead of 100% of people enjoy living in Coronado and now it is only 90 and we also see that people's satisfaction with the traffic signal timing has also decreased, we can make the connection that it is possibly because the traffic signal timing but which traffic signals? If we have the option to actually ask those questions, perhaps we should.

He would encourage staff, perhaps in the future, to maybe look for other ways to collect this information that would allow us to dig deeper on all these questions. That can be fairly cost prohibitive given that there are 120 questions and if we want to add more it costs \$1,000 each time. What do we think about adding a fourth question to touch on code enforcement? He would be curious to see how residents felt about code enforcement and which violations should be given the most attention, especially since we are considering an additional code enforcement officer.

Mayor Tanaka's suggestion to Mr. Bailey involves using the third question that the City can use because the open ended one is going to cost extra no matter what. He asked if Mr. Bailey could think about the wording for that question.

Ms. Denny commented that if we were in a good economy and if our financial health was really great then this would be the kind of thing that we could afford. And while \$17,000 doesn't seem like a lot, given the current economy which is not great, it is terrible, and our current financial health which includes things like agenda item 5e where we learned when we read the Treasurer's report that our investment income was down by more than half. We made 47% of the projected investment income so instead of approximately \$500,000, it was \$250,000. Add to that investment income being down the fact that the off balance sheet debt, the pension debt, the redevelopment debt still in flux and still enormous, something that we need to tackle, and on top of that the wastewater financial issues, the golf financial issues and the Stormwater financial issues in those three funds – add all those things together and spending money on this type of survey is, in fact, very, very wasteful. She thinks that just like 99% of Americans who need to do more with less, so too Coronado should do more with less fewer resources, less resources. Nothing beats getting out on your feet and beating the pavement and talking to people and asking them these very questions. Not the pat yourself on the back, easy, feel good questions that are throughout this entire survey as pointed out by her colleagues. But to actually hand something off like this to an outside contractor sort of flies in the face of being in touch with your constituents. We should know, we should every day think about and ask our residents what they think about their City and what they want in their City and she thinks that this is too wasteful to spend on this particular survey. She thinks it does amount to just a feel good pat on the back kind of a thing so she won't be voting for it.

Councilmember Woiwode pointed out that since our City is financially healthy and since we are devoting resources to providing high quality services to our residents, he very much appreciates this kind of objective survey. He likes the ability of drawing lines between data points over a three year period of time and he is very interested in reproducing the survey that we conducted three years ago. He thinks Mr. Bailey has some excellent points on wanting to do deep dives on the things that are problematic. Last year he found a great deal of sensitivity to the things that emerged from the survey. He believes staff has been very responsive to the data received in the past. He likes questions one and two as closed ended questions. He likes Mr. Ovrrom's addition. He would be happy if Mr. Bailey could come up with a closed ended question on code enforcement. Maybe that consists of listing the following items as the priority for code enforcement. He thinks we could get at the RSIP question by having only number two there and skipping number one.

Mayor Tanaka doesn't feel like we are struggling or have a big list of questions we are trying to pare down. Since we aren't losing anything by keeping both questions, it will be interesting to see if there is a divergence.

Mr. Woiwode likes what has been proposed so far and the inclusion of Mr. Bailey's question. He moved the staff recommendation.

Mayor Tanaka suggested that Mr. Woiwode consider amending his motion to approve the staff recommendation along with the two proposed questions on Attachment A, along with the open ended question proposed by Mr. Ovrrom and he asked Mr. Woiwode to amend his motion to direct staff to work with Mr. Bailey to come up with a third closed ended survey question about code enforcement.

Mr. Ovrrom commented that in the Council's next agenda item, which will talk about how we are doing this year, we started off with \$91 million total in funds available and we are going to end up with \$90.5 million in funds available and we paid out \$6 or \$8 million to get the pension debt down and another \$1.8 million...it is a gross exaggeration to link an argument about not paying for this because it happens to cost \$17,000.

Mr. Bailey is not sure whether the survey organization that will be doing this for the City will review the wording of the questions but he does think that for question one, the optional closed ended question, that we should include an option of too small. The range is from the right size to too large so he thinks we are biasing the respondent to choose either the right size or too large versus from too small, the right size, too large, etc. His comment on the second question is that it might be beneficial for the respondents to have some examples of what those restrictions and limitations might be. He understands that may put an extra burden on staff to come up with something that speaks generally to that but otherwise we are letting residents use their imagination and we might get different responses than they intended.

Mayor Tanaka asked Mr. Woiwode if his motion reflects a willingness to give Mr. Bailey a little bit of latitude to wordsmith the first two questions with staff's concurrence. Both he and Mr. Woiwode are open to those amendments.

MSC **(Woiwode/Tanaka) moved that the City Council receive the report, along with the two closed ended questions in Attachment A to be revised by Mr. Bailey with staff's concurrence, the open ended question suggested by Mr. Ovrrom, and directed staff to work with Mr. Bailey to come up with a third closed ended survey question about code enforcement.**

AYES: Bailey, Ovrrom, Woiwode, Tanaka
NAYS: Denny
ABSTAINING: None
ABSENT: None

11h. Provide Direction and Approve Changes to the Fiscal Year 2013-14 Budget at Mid-Year. City Manager Blair King introduced Leslie Suelter, Director of Administrative Services, who made a presentation on this agenda item.

Councilmember Denny referred to page 272, the estimated revenues. This is what taxpayers are supplying, basically. That is approximately \$42 million. It costs more than \$42 million to run our City for one year, right?

Ms. Suelter explained that these revenues just reflect the General Fund. All revenues across all funds is \$58 million.

Ms. Denny just wanted to make that point. It is not as much a question as a request for verification because when people hear Ms. Suelter's presentations they think the \$42 million is all it costs to run our City. That's not so. It is approximately between \$56 or \$58 million a year we are anticipating to run our City and those sources of income are different than what has been listed here in the \$42 million.

Ms. Suelter responded that the General Fund is the largest operating fund in the City and most of the primary municipal activities occur in the General Fund. The exceptions being there are some transportation funds where there are revenues that are for very specific things. There are enterprise fund and capital project funds as well. By and large the primary, bread and butter, municipal operations occur in the General Fund and so it is the most critical fund in any city, not just Coronado. The General Fund and the health of your General Fund is of primary concern. That is why we tend to look most closely at that fund. This is a mid-year report that shows where the City is compared to what was projected.

Ms. Suelter clarified that the funding sources Ms. Denny described are not tax dollars but they are predominantly fee for services. Tax dollars are a little bit different and they may or may not tie to what it costs whereas in the enterprise activities we are trying to set fees and charges to be commensurate with the costs. It is a fee for service as opposed to a tax supported activity.

Ms. Denny thinks that is a perfect point. To the taxpayer's wallet, a fee is a tax and while people who are involved in municipal government might separate in their minds that a fee is different than a tax but in fact to many of us and to many residents who pay these fees they are considered taxes and if you have been outside of municipal government there is not that fine distinction made between fees and taxes.

Ms. Suelter continued with her report to discuss the two possible new positions.

Mr. King wants to be clear that staff did not bring this back on its own initiative. This was the direction provided to staff when the FY 13/14 budget was adopted. These positions were to be brought back for consideration at mid-year. He provided some additional background information on these positions.

Council consensus was to allow Ms. Suelter to finish her report and then discuss the two additional positions.

Ms. Suelter continued, concluding with a presentation on the replacement of the 25-year old primary central irrigation controller at the Golf Course.

Councilmember Bailey referred to slide 11 and the electrical power to satellite controllers. He asked if that was the expense we didn't originally budget. Mr. Bailey is curious about, when we have these unforeseen circumstances come up, is it common for the City to go out and get a second opinion from another consultant or not.

Roger Miller, Director of Golf Services, explained that there are only a few true irrigation consultants in the business. Coronado hired one of them. In looking at the irrigation system, the consultant discovered that the power wire that would power the satellites out in the field does not meet the specifications of the manufacturer who manufactures the satellites. He is just relaying that information to the City and that is an added cost that the City would have to look at. He also pointed out that the current power wire does not meet the code specifications for today so that would have to be modified as well.

Mr. Bailey concluded that he is the expert and we are going to go with his opinion and not seek a second opinion. Mr. Miller agreed but added that staff also talked to code enforcement and were told that upgrades would be needed to meet the requirements.

Councilmember Woiwode looked at the fiscal year summary of funds and at the Golf Course. Where in that line, which has an opening fund balance and an estimated fund balance and the revenues and expenditures and capital improvements, how does what we're seeing here fit together with what we are looking at in this account?

Mr. King responded that staff has an estimate but not the actual results. The only time we will get the actual results is when we bid the project. When we bid the project, we will have a real number. What staff was proposing to do is return to the Council to ask the Council to award the contract, and then there would be a need for an additional appropriation which would be from the balance carried forward in the Golf Fund. The Golf Fund is 100% fees. Staff is projecting that the Golf Fund at June 30, 2014, would be a little over \$1 million. If there is a need for another \$200,000, he will drop the balance carried forward and on June 30, 2014, it would be \$800,000.

Mr. Woiwode referred to the \$390,000 which is in that line and is the second to last column is not the same as what is on the slide for the irrigation project. That is capital improvements so it may include other projects as well.

Ms. Suelter explained that the \$390,000 includes the \$220,000 and the improvement on Hole 5 for the retaining wall and \$25,000 for doing some additional irrigation in the parking lot at the Golf Course. Mr. Miller has also advised her that there are a couple of other projects, smaller projects, that have been completed under the estimate so those funds will go back to the balance as well and can be applied towards this project. Staff will have a clearer idea once we know what the actual costs will be. This is the estimate and like all estimates it could be high or low.

Councilmember Denny thinks that the slide presentation is great. They don't make it into the agendas. Is there a way, in the interest of government transparency, we can provide this on the website so that people can see it. Ms. Denny asked how the City gets water bills. Are the individual departments billed?

Ms. Suelter explained that the City has a number of water meters throughout the City and each one is associated with a particular department. For example, there is a water meter at City Hall. That bill comes to the City Manager's office and it gets processed here. The Public Services department has a number of meters and their bills are sent to them separately. Ms. Denny asked if there is an easy way, computer-wise, that Ms. Suelter could give us an estimate of an average water bill for the year for the City. Ms. Suelter responded that could be done. Ms. Denny doesn't want this to

take a lot of time. She would like that information for the last two fiscal years and then what the City has paid to date for this year.

Ms. Denny asked for an explanation of the Bridge Toll Fund shown on page 279. How do we make sense of those numbers? Ms. Suelter explained that this shows that at the beginning of this fiscal year, the audited opening balance of funds available in the Coronado Bridge Toll Funds was \$7.9 million. The City anticipates revenue of \$47,000, which is basically investment earnings. There are no operating expenditures budgeted to that fund but we do have some capital improvements programmed here. This \$1.1 million reflects the total of capital projects that have been approved, including one amendment that occurred during this fiscal year when the Council approved the traffic study to be funded from here. With those figures, you end with \$6.8 million.

Ms. Denny clarified that as a budget planning document, this is the projection of what will end up at the end of the fiscal year and the fund is approximately \$6 million. Ms. Suelter agreed and explained that the appropriation for capital projects does not lapse with the fiscal year, unlike an operating budget which lapses. Until the project is actually completed, staff sets those funds aside and when the project is over any unused funds are returned to fund balance.

Ms. Denny pointed out that listed here is \$1.150 million. We know what the \$50,000 is – that is for the study. She asked for an explanation of the other projects. Ms. Suelter explained that the rest of the projects are Third and Fourth and I drainage for \$100,000; Pomona Seventh and Adella roundabout is \$1 million; and, the \$50,000 for the traffic study.

Mayor Tanaka asked for public comment; seeing none, he noted the recommendation before the Council is (1) to receive the report; (2) approve the recommended mid-year budget adjustments as listed; and the Council needs to discuss whether to (3) provide direction regarding a new Police Officer position and a new Code Enforcement Officer position.

Mayor Tanaka asked Mr. King to elaborate on the recommendation he referred to earlier with regard to the Middle School/High School counselor.

Mr. King reiterated that this rose out of the adoption of the FY 13/14 budget and the desire of the Council to see more integration between the Police Department and the community. Chief Froomin is spending more time himself on the campuses along with his uniformed officers. In addition, there is a desire to create a student/Police Department liaison group to provide a forum for communications to occur. If we are starting to move in the direction that the Council wanted, which was to increase the interconnectivity between the youth and the Police Department, then perhaps this thought could be placed on hold to see what happens through the course of the rest of the school year and then take a look at where we are when we look at the budget for FY 14/15 to see if we are accomplishing what he believes are the Council's objectives without introducing the School Resource Officer position.

Mayor Tanaka clarified that the City Manager's suggestion is that because we have a new High School Principal and a new Police Chief that the Council just consider this as part of the next normal budget cycle. The Manager seems to think that would be a better time to consider it to allow some time for the new Chief and the new Principal to figure out if their no cost alternatives are achieving the objective the Council wants. If they are not, then the Police Chief and Manager can either have a recommendation or give the same one as now.

The Council consensus was to wait to consider the School Resources Officer as part of the next budget cycle.

Mayor Tanaka moved on to talk about the Code Enforcement Officer.

Mr. Woiwode would like to see what it is we need enforced developed further before making the commitment to this.

Mayor Tanaka proposed that someone make a motion to receive the report; approve the recommended mid-year adjustments as listed in Attachment C; and direct staff to come back in the next budget cycle with the options for the Council to review consideration of a new Police Officer position for the schools and to consider a new Code Enforcement Officer position as part of that budget review.

Ms. Denny called for a point of order. She asked that the motion be split and make one motion receive the report and consider future hirings/future positions as one motion and just the mid-year budget according to these figures as a separate motion.

MSC (Ovrom/Bailey) moved that the City Council receive the report and approve the recommended mid-year adjustments as listed in Attachment C.

Ms. Denny was hoping for a different bifurcation to receive the report and consider the positions as one and then make the mid-year adjustments as two. Ms. Denny asked for further clarification on the bifurcated motions. Mayor Tanaka offered clarification. He asked what part Ms. Denny objects to.

Ms. Denny does not object to the motion per se. She would like to support one of the bifurcated motions and as they are, she can't support them. She can't support the mid-year adjustments but she can support the receiving of this report and also considering the future positions.

AYES: Bailey, Ovrom, Woiwode, Tanaka
NAYS: Denny
ABSTAINING: None
ABSENT: None

MSC (Woiwode/Tanaka) moved that the City Council consider, for the next fiscal year, the inclusion of a new Police Officer position and a new Code Enforcement Officer position, the duties of which would be defined when the Council considers the budget.

AYES: Bailey, Denny, Woiwode, Tanaka
NAYS: Ovrom
ABSTAINING: None
ABSENT: None

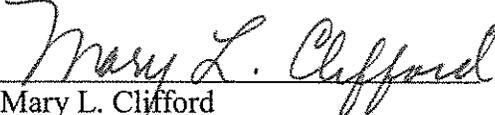
12. **CITY ATTORNEY:** No report.
13. **COMMUNICATIONS - WRITTEN:** None.
14. **ADJOURNMENT:** The meeting was adjourned at 6:51 p.m.

Approved: March 4, 2014



Casey Tanaka, Mayor
City of Coronado

Attest:



Mary L. Clifford
City Clerk